(d) if so, the reasons for calling off the merger with that Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) IFCI Ltd. is a company registered under the Companies Act, 1956. Government has no shareholding in IFCI Ltd. Since IFCI does not have long term sustainability on a stand alone basis due to its asset-liability mis-match position and its inability to comply with important regulatory requirements, the Board of Directors of IFCI Ltd. has held extensive deliberations on its future. The only viable future course appears to be, to consider merger with a healthy Institution/Bank.- Various options are being examined, including that of IDBI. It may also be pointed out that, the Board of Directors of IFCI Ltd. and Punjab National Bank have deliberated on a merger. However no final decision has been taken.

Projections on. FDI inflow

507. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have made any projections on the inflow of FDI (foreign direct investment) into the country in the next few years;

(b) if so, the details thereof;

(c) whether Government are considering any proposal for restricting the flow of FDI; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The inflow of FDI depends on a numbers of factors both external and internal. Besides policy dispensation, global economic environment, corporate strategy of transnational corporations and domestic economic situation play a major role in determining the FDI inflows.

(c) and (d) Government has put in place a liberal and transparent FDI policy and most sectors have been placed under the automatic route. Review of FDI policy, including sectoral policies and caps, is an ongoing process.

Fluctuations in Sensex

508. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE be pleased to state:

(a) whether the market is facing selling pressure by the recent fluctuation in sensex;